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UNITED STATES DEPARTMENT OF AGRICULTURE
FARM SECURITY ADMINISTRATION

950 Broadway
Denver 3, Colorado
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HIGHLIGHTS OF THE FARM SECURITY ADMINISTRATION PROGRAM
IN MONTANA SINCE 1935

Farm Security makes rehabilitation or operating loans to farm families unable to secure satisfactory credit from existing sources. Loans are based on the need of the family and repayments on the ability of the farm to produce, after family living and farm operating costs are deducted. A farm and home plan drawn by the family and the supervisor forms the basis for development of a sound enterprise. Rehabilitation loans are at 5% interest and the credit is not withdrawn in the event of market fluctuations or emergencies such as flood or drouth. The maximum that can be loaned in a year is \$2500, and repayment is required before five years elapse. Farm Security also makes farm purchase loans under the Bankhead-Jones Farm Tenant Act. These loans, for family-type farms, are made to eligible farmers approved by county FSA committees. They are at 3% and the maximum repayment period is 40 years. Both types of loans are available to veterans of World War II.

Loans made for rehabilitation purposes in 10 years total \$18,778, 490, and repayments, including interest, amount to \$14,056,333.

FSA has helped 25 percent of all farmers and ranchers in the state with some type of loan and currently has operating loans to 2,093 farmers.

The agency re-stocked much of the western range country after the drouth and depression, and provided credit and guidance in farm and home management to assist farmers and ranchers to regain normal production and income. As a result of progress made, these families were able to show heavy production records of war food and fiber, and have also improved their economic status considerably.

Farm Security makes sound loans and they are repaid. A total of 5,633 families in the state have repaid in full their obligation to FSA

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As of Aug. 31, 1945, FSA had made rehabilitation loans totalling \$77,830 to 40 agricultural veterans of World War II and has assisted them in getting a start in farming.

County FSA committees, serving as voluntary debt adjustment committees for all farmers, have handled 2,136 debt adjustment cases in which they were asked by creditor and debtor to work out equitable reductions and repayment schedules. Total debt involved was \$5,413,581 and total reduction of debt to farmers was \$1,311,231.

The sharing of heavy farm machinery, blooded sires, and other facilities by small groups of farmers, who, individually cannot afford to own them because of high cost and incomplete utilization, has been given impetus by FSA. About 170 of these groups have been organized with loans from the agency, and serve approximately 800 farm families which otherwise would have been without the services offered by the group.

A check of the records reveals that in 1945, approximately 10% of the state's sugar beet crop was grown by FSA families, and in 1944 FSA families produced slightly less than 10% of the beets.

Farm ownership loans by FSA have proven so successful that Congress authorized \$25,000,000 additional for 1945-46, ear-marking the money for veterans of World War II. First loan in the Rocky Mountain region was made in Park county, Mont., to John A. McDonald for a 560-acre stock ranch.

Total rehabilitation loans during the 1944-45 fiscal year were \$1,354,766 and total collections were \$2,779,500.

FSA cooperates with the medical profession and farm families in encouraging formation of medical care groups to improve rural health. Activity agreements are in effect with the State Bureau of Vocational Rehabilitation and close cooperation exists with State Health Departments with the objective of improving rural sanitary conditions. A definite proposal for a broader and more effective health program is contained in a FSA booklet, "Health Care for All", which has been distributed to planning groups and others interested in better health care.

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One of the important lending programs administered by FSA concerns water facilities loans, available to all farmers in the 17 western states for almost any type of domestic or farmstead water installations. These loans are at 3% for the life of the facility. Provisions for adequate water have assisted many farmers in producing more for war needs and also in improving their economy.

A total of 74 farm families now own family type units through farm ownership loans obtained from FSA. These families showed an average net worth gain of \$1681 for 1944. Total payments due for the year were \$30,072 and payments made amounted to \$62,640. Payments due all years were \$97,643 and payments made totalled \$172,220.

Many loans have been made to sons and daughters of FSA families to enable them to participate in such activities as 4-H Clubs and Future Farmers of America so that they may learn good management practices. Livestock raised by these young people usually ranks high at county and state fairs.

Small farmers can work together. During the war when military installations at Great Falls contributed to a daily shortage of 800 gallons of milk, a FSA district supervisor solved the problem. Within 40 miles of the city were 30 FSA families on small units with herds averaging six cows each. They were selling cream but readily agreed to switch to production of whole milk. FSA personnel, the state veterinarian and the county agent formed a team, visited each farm and recommended the necessary sanitary and other changes, and worked out a pick-up route for a milk truck. The shortage disappeared, and dairy income of the families increased about one-third.

Ten years of experience in working with farm families and their problems qualify FSA to render considerable assistance to returning veterans who lack sufficient capital to engage in farming. All types of loans handled through FSA are available to the veteran. Full information regarding these loans may be obtained from county FSA supervisors.

The agency has brought about more equitable tenure arrangements for small farmers through the use of the U. S. Department of Agriculture's flexible lease. Both landlord and tenant benefit from a good written lease, and many farm families now have tenure of from three to 10 years, and no longer move annually to another place.

Long-term credit and supervision, with emphasis on farm and home plans, has helped many farm families. It has improved their economic stability and enabled them to become self-sustaining citizens, free of debt, enjoying improved health and participating in community affairs. These FSA families are much better off than they were, and so are the communities in which they live, and so is the nation.
